Swami Ramanand Teerth Marathwada University, Nanded, Maharashtra, India

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"ROLE OF MICRO, SMALL & MEDIUM ENTERPRISES IN THE DEVELOPMENT OF LATUR DISTRICT"

Synopsis

For the Degree of Doctor of Philosophy in Commerce Faculty of Commerce and Management.

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INTRODUCTION

Micro, Small, Medium, enterprises are contributing outstandingly in the growth and development of country. The MSMEs became active and energetic in last five decades in the Indian economy. The MSMEs are supportive to large scale industries who contribute inclusive industrial development of country. The MSMEs are intensifying their area across the region of economy, by producing vast range of goods to meet the demand of nation as well as international markets.

Maharashtra, a state western region of India, the second most heavily populated state in the country. The Economy of Maharashtra is diversified and includes manufacturing, finance and services. The state is leading producer of sugarcane, soybean, cotton, millet, fruits like mangoes, grapes. The MSMEs are the backbone of economy and Maharashtra is one of the dominant state in MSMEs sector which playing the role in eliminating the problem unemployment, fostering entrepreneurship, growth in GDP.

According to financial year 2020-21 Annual report citing the NSS 73rd round of survey there are around 4 million MSMEs in Maharashtra, employing 10 million people. The Latur district is a south eastern part of Maharashtra state. The district is located at Maharashtra Karnataka boundary. Latur district includes the number of industries covering manufacturing, trading and services, which are major contributor to local economy. The district has more than eleven sugar factories which makes it one of the highest sugar producing district of India. This research provide a complete understanding of MSMEs sector in Latur district, the major challenges faced by the sector, the progress and opportunities.

The criteria of MSME is different in different countries. Generally, include the factors like Amount of investment, number of employees. In India as last update in 2020 by Ministry of MSMEs.

Sr. no.	Types of Enterprises	Investment	Turnover
1	Micro Enterprises	Not more than Rs 1 crore	Not more than Rs 5 crore
2	Small Enterprises	Not more than Rs 10 crore	Not more than Rs 50 crore
3	Medium Enterprises	Not more than Rs 50 crore	Not more than Rs 250 crore

Source: Published by Ministry of MSME, Government of India, 2020.

It is resulted that the MSMEs entrepreneurs have potentials to change the Indian Economy. The concept of MSMEs firstly introduced by The Government of India through the Micro, Small, Medium Enterprises (MSMED) Act, 2006. This act allows for voluntary registration of micro, small, medium enterprises through Udyam Registration. The act focuses on the need of credit by MSMEs and provide credit facility. The Act includes the provisions for delayed payments by buyer to MSMEs owners. The Act also focuses on upgradations of technology and skill. National Board For MSMEs established under the MSME Development Act for implementation of act and to advise the government regarding to policies which are for the development of MSMEs in India.

REVIEW OF LITERATURE

Mr. K. Rajaiah (2017) In his Thesis 'Role of MSMEs in the economic development of Chittoor in Andrapradesh' concluded that government introducing number of schemes and initiatives for the development of Micro, Small ,Medium enterprises but the main problem is about properness in implementation .Also state how to implement the policies.

Mr. Rajhance(2020) In his Thesis 'Impact of Government Financial initiatives on the development of Micro ,Small ,Medium Enterprises in Pune District' he makes a positive results of government initiatives which have potentials to boost the economy. He reviewed Start up India project, Make in India etc through which the backbone of Economy that is MSMEs becoming strengthen.

Shreeranga Bhat,EV.GijoAnil, Malwynrege, Vinayambika Bhat(2021) In their Research paper, they Explain 'the Management and competitiveness of MSMEs sector'.Also examine about the sustainable green practices and the Green practices performing by MSMEs through the action research design .which become helpful to know about modern technology with greater productivity and environment friendly

Dr. Chandra,Dr. Ispeeta and Priti Rachayeeta, May (2016) in their Research paper they study the various issues related to MSMEs in India .The challenges faced by MSMEs by researching ground reality regarding to Government schemes, availability of Infrastructural facility ,market challenges, financial credit etc

Dr. S.K Dey(2014) In his Research report 'MSMEs in India :its growth and prospects' stated that near about 45% manufacturing and more than 40% export trade in belonging to MSMEs sector. He also overview the MSMEs Development act its main focus and important provisions. He also conclude that MSMEs contributes in the economic development by creating employment for rural and urban population, providing goods and services in affordable cost, offering innovative solutions and sustainable development.

R. Nagraj V. Vaibhav(2020)In their journal 'Revising the Definition of MSMEs: Who is likely to benefit from it.' They critically evaluate the impact of MSMEs after their definitions got changed in 2020 as well as the package of Aatm Nirbhar Bharat to address the distress of informal sector.

STATEMENT OF PROBLEM

The micro, small, medium enterprises sector contribute an important role in economic growth, innovation, employment generation but MSMEs frequently facing the challenges regarding competitiveness, sustainability, marketing, finance, lack of technology and skills , infrastructural facilities.

While knowing the vital role of MSMEs the Government initiatives helps to catalyse the growth and development of MSME in Latur district. Even there remain a gap in understanding the exact elements which decelerate the sectoral growth. However, there is lack of comprehensive view of existing findings about the parallel problems which affecting the MSMEs.

SIGNIFICANCE OF STUDY

This research give bright outlook to lead changes in MSMEs ecosystem in Maharashtra. By identifying challenges, best practices, market opportunities which will helps to guide policy maker for strategies and investment decisions. The study aim for sustainable, prosperous MSME ecosystem of Latur district. The research goal contribute not only the academic knowledge but also identify the elements that boosts MSMEs to sustainable growth, employment generation, poverty alleviation ,local development ,linkage between rural urban area , promotes export ,upgradation of technology, better infrastructural facility , management capabilities, skilled human resource which will leads to overall development in Latur district. The Indian economy is superior by a large set of enterprises and MSMEs are known for their scale and operation. The role of MSMEs in the development widely accepted because their independent structure, simple to organise, low risk and low finance, initiatives by government.

OBJECTIVES OF STUDY

1. To know the current status of MSMEs in Latur District.
2. To analyse the different Government initiatives for the development of MSMEs in Latur district.
3. To study the Role of MSMEs in the development of Latur district.
4. To identify the problems faced by MSMEs in Latur district
5. To suggest the recommendations to overcome the problems.

HYPOTHESIS

1. Government undertaking different initiatives and schemes for the development of MSME sector.
2. MSMEs plays an important role in the development of Latur district.
3. The MSME sector of Latur district facing the problems regarding to Infrastructure, marketing facility, limited finance, unavailability of raw material, poor planning, outdated technology, lack of skilled human resource.

RESEARCH METHODOLOGY

RESEARCH DESIGN

To study the role of MSMEs in the development of Latur district will use exploratory, descriptive and analytical research method.

SAMPLE DESIGN

Primary data will collect from the Micro ,Small, Medium Enterprises in Latur District. Following MSMEs are working in Latur district as per Udyam Registration.

DISTRICT	MICRO	SMALL	MEDIUM	TOTAL
Latur	9615	292	37	9944

(Sources: Udyam Registration up to 31st July 2021 Report published by MSME Ministry of Maharashtra)

As per above information 9944 MSMEs are working in Latur district during 2020-21. There are 10 Blocks/Tehsils in Latur district Ahmedpur, Ausa, Chakur, Deoni, Jalkot, Latur, Nilanga, Renapur, Shirur Anantpal, Udgir.

National Education Association provide a formula for determination of sample size.

$$S = X2NP(1-P) \text{ -S- } d\ 2\ (N-l) + X2\ P(1-P)$$

On the basis of above formula *Krejcie and Morgan* (1970) developed a table for determination of sample size which is applicable to any population. As per Morgon table sampling size designed as 360 sample units of Micro Enterprises 165 units of small scale enterprises and 33 units of Medium scale Enterprises Which selected by adopting Stratified Random Sampling Method. The MSMEs in Latur district can be categorize in strata on the basis of size, location, type of Enterprise. With this representative units can be select.

TOOLS OF DATA COLLECTION

The study will use both primary and secondary methods of data Collection. For understanding the ground reality and latest upgradation field survey will conduct. It will help to different perspectives related to development of MSME in Latur district. Information will collect by questionnaires, observations, interviews.

The authentic data will collect from the reports published by central and state Ministry of MSMEs, publications of department of industry and commerce, reports of State of Maharashtra, research articles, journals, departmental publications, research papers, periodicals, reports of department of statistic, newspapers , official websites.

DATA ANALYSIS

Statistical tools will use for analysis of data. SPSS software and appropriate tests will use for data analysis**.**

LIMITATIONS OF STUDY

The study only limited to the area of Latur district. The reliability of study depends upon the data availability and accuracy the whole data primarily collected through owners of MSMEs it become subjective and increase the chance of biasness. Latur is a district having 10 Taluka's, the research area is too limited through which the results cannot be generalize for Marathwada region, Maharashtra state or the country.

CHAPTER SCEHEME

1. Introduction
2. Review of literature
3. The current status of MSMEs in Latur District.
4. The Government initiatives and schemes for the growth and development of MSME sector and its implementation.
5. The role of MSMEs in the development of Latur district.
6. Conclusions and Recommendations.

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